



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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April 5, 2018

By ECF

The Honorable Eric N. Vitaliano
United States District Judge
United States District Court, Eastern District of New York
225 Cadman Plaza East
Brooklyn, NY 11201

Re: SEC v. Discala, et al., 14 Civ. 4346 (ENV) (RML)

Dear Judge Vitaliano:

I write on behalf of the Securities and Exchange Commission (the "Commission"), plaintiff in the above-referenced action. Pursuant to the Court's March 22, 2019 order, the Commission provides the following status report, which has been provided to counsel for all defendants in this action and to defendant A.J. Discala who is no longer represented by counsel. Defendants have either approved this letter or have not responded.

On November 19, 2014, the Court granted the Government's motion to intervene and to stay all civil proceedings pending the resolution of the related criminal action (14-cr-399) and the Court further ordered that the parties may not engage in third-party discovery. (Docket # 15). On February 12, 2016, the Court reaffirmed that the stay was still in place. In is the understanding of the Commission that the criminal action has not been finally resolved. Specifically, we understand that the only defendant in the criminal case who has been sentenced is Darren Goodrich. None of the other defendants (Michael Morris, Darren Ofsink, A.J. Discala, Matthew Bell, Marx Wexler, Craig Josephburg, and Ira Shapiro) have been sentenced. The United States Attorney's Office has informed us that there are no sentencing dates and that pre-sentencing reports have yet to be filed. In light of this fact, the United States Attorney's Office has told the Commission that it requests that the stay not be lifted at this time.

While the stay is in still place, it is the intention of the Commission to try and resolve as many of the civil cases as possible. The Commission will update the Court as to those efforts.

Respectfully submitted,

/s/ Todd D. Brody
Todd D. Brody

cc: Defendants' Counsel (via email)